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EXAMINER JARRETT, SCOTT L				
ART UNIT 3624		PAPER NUMBER		
NOTIFICATION DATE 03/31/2009		DELIVERY MODE ELECTRONIC		

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Notice of the Office communication was sent electronically on above-indicated "Notification Date" to the following e-mail address(es):

PTOmail2@bakerbotts.com
PTOmail4@bakerbotts.com

Office Action Summary

Application No.

10/666,094

Applicant(s)

MIDDLETON, GRAEME R.

Examiner

SCOTT L. JARRETT

Art Unit

3624

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 29 January 2009.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-20 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☐ Claim(s) _____ is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
 - ☐ Certified copies of the priority documents have been received in Application No. _____.
 - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO/SF/ICE)
Paper No(s)/Mail Date _____
- 4) ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date _____
- 5) ☐ Notice of Informal Patent Application
- 6) ☐ Other: _____

DETAILED ACTION

1. This **Final** Office Action is in response to Applicant's amendment filed January 29, 2009. Applicant's amendment amended claims 1-20. Currently claims 1-20 are pending.

Response to Amendment

2. The 35 U.S.C. 101 rejection of claims 1-15 in the previous office action is withdrawn in response to Applicant's amendments to claims 1-15.

The 35 U.S.C. 112(2) rejection of claims 1, 11 and 16 in the previous office action is withdrawn in response to Applicant's amendments to claims 1, 11 and 16.

The Objection to the Title is not withdrawn.

Response to Arguments

3. Applicant's arguments filed January 29, 2009 have been fully considered but they are not persuasive. Specifically applicant's argues that the prior art fails to teach each and every element of the claimed invention, specifically that Riven, Paul R., *Balanced Scorecard Step-by-Step* (2002) fails to teach or suggest "categorize activities into separate categories so that like activities are assess against each other and then determining which activities are to be funded within a category (Paragraph 1, Page 8).

In response to Applicant's argument that the prior art of record fails to teach or suggest categorizing activities into *appropriate* categories so that like activities are assed against

each other and determining which activities within a particular category are to be funded the examiner respectfully disagrees.

Niven teaches a system and method for assessing information technology needs in a business comprising categorizing activities (project, tasks, initiatives, systems, efforts, etc.) into (appropriate) categories (groups, areas, buckets, classes, types, areas, dimensions, etc.) so that like activities are assessed against each other (Lines 1-3, 8-10; Last Eight Lines, Paragraph 1, Page 191; Bullet 1, Page 193; Paragraph 3, Page 197; Exhibit 7.1) and determining which activities within a particular category are to be funded (pursued, worked on, selected, etc.; wherein it is noted the projects which are eliminated are clearly not funded and wherein remaining projects are clearly funded/pursued/started, etc.; Last Paragraph, Page 230; "determine what investment in initiatives are necessary...", Last Paragraph, Page 188; "Eliminating nonstrategic initiatives by using the laser-like lens of the Balanced Scorecard will quickly translate to freeing up valuable resources that can be funneled into projects..." Paragraph 1, Page 190; "The Key is ensuring that the initiatives you decide to fund are strategic in nature...", Last Paragraph, Page 230; Paragraph 1, Page 231; tying the initiatives to the budgeting process via the balanced scorecard; Exhibit 9.3).

Exhibit 7.2 Prioritizing Balanced Scorecard Initiatives

Criteria	Weight	Description	Initiative #1		#2		#3		#4	
			Points	Score	Points	Score	Points	Score	Points	Score
Linkage to strategy	40%	Ability of the initiative to successfully impact a strategic objective	7	1.2	1	.25				
Net project value	15%	Presented value in \$-Millions (annuity discounted @ 5%)	4	75	10	4.5				
Testable	10%	Testable outcomes including when and measurable	5	50	15	1.0				
Executive involvement (only personnel)	10%	Key personnel involved for the initiative including time requirements	3	30	15	1.0				
Time to complete	10%	Total implementation time to complete the initiative	6	60	10	1.0				
Dependencies	15%	Impact of other initiatives on the successful outcome of decisions with this initiative	0	.30	10	1.0				
			28	6	6.0					

Exhibit 9.3 Budget Requests by Balanced Scorecard Strategy

Corporate Strategy: Become Customer Focused			
Initiative	Current Scorecard Status	Budget Request Operating Budget	Budget Request Capital Budget
Increase customer loyalty	Green	\$XXM	\$XXM
Increase customer confidence	Yellow	\$XXM	\$XXM
Increase flexible solutions	Red	\$XXM	\$XXM
Percentage of total spending		4.4%	9.6%

Further it is noted that it is old and well known to assess categorized activities against one another in order to determine activities within a particular category are to be funded (project prioritization, project justification, IT investment evaluation, etc.) as evidenced by at least the following references:

- Grover et al., Corporate Strategy and IT Investments (Column 2, Last 5 Lines, Page 17; Column 3, Paragraph 2, Page 17; Columns 1-2, Page 18; Column 3, Paragraphs 1-2, Page 19; Figure 1)

- Remenyi, Dan et al., The Effective Measurement and Management of IT costs and benefits (2001)
 - categorizing initiatives so that like initiatives are assessed against each other (Paragraph 2, Page 34; Page 207; Bullets 1-6, Page 208; Figures 4.1, 10.1, 10.2);
 - determining which initiatives are to be funding in accordance with the applied strategic value ratings (i.e. which project to invest; agreement to proceed; Number 3, Page 269; Last Paragraph, 271; Figure 13.4; Figure 10.6, Item 1.5).

IS selection system			
Indicate the 10 most relevant factors with an x.			
Strategic value	Operational value		Risk assessment
Industry attractiveness		Administration improvement	New technology x
Internal value chain	x	Legislative requirements	New application x
Industry value chain	x		Application size x
Offensive	x	Architectural value	Market damage x
Defensive	x	Operating system	
		Commis. infrastructure	
Critical value		Languages	
Expense control			
Asset reduction		Investment value	
Equipment utilisation		Payback	x
Sales increase		NPV/PI	x
Production enhancement		IRR	
Waste minimisation			

Figure 10.1: Selecting the decision variables

Selected criteria	Weighting	System 1		System 2		System 3	
		Score	Value	Score	Value	Score	Value
Internal value chain	8	5	40	4	32	2	16
Industry value chain	8	4	36	4	36	5	45
Offensive	10	3	30	4	40	5	50
Defensive	7	2	14	4	28	2	14
Payback	9	5	45	4	36	5	45
IPV/IP	9	4	36	4	36	5	45
New technology	-6	3	-24	2	-16	1	-6
New application	-6	3	-18	2	-10	2	-10
Application size	-7	2	-14	5	-35	2	-14
Market damage	-6	3	-30	5	-30	0	0
			118		117		183

Figure 10.2: Weighted criteria with scores for three competing information systems

10.2 Five steps to evaluation

There are five steps involved in an overview evaluation:

1. Select the criteria;
2. Associate weights to each criterion;
3. Score systems in terms of how they satisfy the criteria;
4. Calculate a system's rating by multiplying each score by the weight and then summing to a total.
5. Select the system with the greatest total score.

Figure 1: Remenyi et al.; Section 10.2, Page 207

Title

4. The title of the invention is not descriptive. A new title is required that is clearly indicative of the invention to which the claims are directed.

The following title is suggested: System and Method For Funding an Information Technology Initiative Based on an Assessed Strategic Value.

Claim Rejections - 35 USC § 102

5. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(a) the invention was known or used by others in this country, or patented or described in a printed publication in this or a foreign country, before the invention thereof by the applicant for a patent.

6. Claims 1-2, 4-8 and 10-20 are rejected under 35 U.S.C. 102(a) as being anticipated by Riven, Paul R., Balanced Scorecard Step-by-Step (2002).

Regarding Claims 1, 11 and 16 Riven teaches a system and method for assessing needs (information technology) in a business comprising (Steps 1-4, page 190; Exhibits 7.1, 7.2):

- gathering information associated with the operation of a business and the activities (projects, initiatives, strategies, plans, efforts, work, programs, actions, etc.) pertaining to an (information technology) initiative (project, effort, system, software, strategy, etc.) desired to be implemented (inventory current projects/initiatives; Bullet 1, Page 190; Paragraph 1, Page 191; Paragraphs 3-4, Page 197; Exhibit 7.1);

- applying (strategic value) ratings to the activities (Bullet 1, Page 191; Bullet 1, Lines 15+, Page 193);

- categorizing (grouping, classifying, 'common criteria', strategic, non-strategic, etc.) into (appropriate) categories the activities so that like activities are assessed against each other (Lines 1-3, 8-10; Last Bullet, Page 190; Last Eight Lines, Paragraph 1, Page 191; Bullet 1, Page 193; Paragraph 3, Page 197; Exhibit 7.1);

- determining which activities within a particular category are to be funded in accordance with the applied (strategic value) ratings (Lines 1-2, Page 19; Paragraph 3, Page 188; Bullet 1, Lines 15+, Page 193; Last Paragraph, Page 230; "determine what investment in initiatives are necessary...", Last Paragraph, Page 188; "Eliminating nonstrategic initiatives by user the laser-like lens of the Balanced Scorecard will quickly translate to freeing up valuable resources that can be funneled into projects..." Paragraph 1, Page 190; "The Key is ensuring that the initiatives you decide to fund are strategic in nature...", Last Paragraph, Page 230; tying the initiatives to the budgeting process via the balanced scorecard; Exhibit 9.3).

Exhibit 7.1 Mapping Initiatives to Objectives

Perspective	Objectives	Initiatives										
		Benchmarking	Maintenance Overhaul	ISO 9002	Frequent Purchase Program	IT Tools and Training	360 Feedback	Global Communication	Partner Program	Just-in-Time Mfg.	Decision Training	Facility Broadification
Financial	Grow revenue											●
	Increase asset utilization	●								●		
Customer	Increase partnering							●				
	Build loyalty				●							
	Grow market share				●							
Internal Process	Develop customer information					●						
	Reduce downtime	●	●									
Employee Learning and Growth	Develop core competencies						●					
	Increase empowerment					●				●		

Exhibit 7.2 Prioritizing Balanced Scorecard Initiatives

Criteria	Weight	Description	Initiative #1		#2		#3		#4	
			Points	Score	Points	Score	Points	Score	Points	Score
Leverage in strategy	45%	Ability of the initiative to positively impact all strategic objectives	7	3.15	1	.45				
Net present value	15%	Present value of initiative benefits discounted 5 years	5	.75	10	1.5				
Total cost	15%	Total dollar cost including labor and materials	5	.50	10	1.0				
Resource requirements (key personnel)	10%	Key personnel needed for the initiative including time requirements	5	.50	10	1.0				
Time to complete	10%	Total anticipated time to complete the initiative	8	.80	10	1.0				
Dependencies	10%	Impact of other initiatives on the successful outcomes anticipated with this initiative	9	.90	10	1.0				
			6.4		6.3					

Exhibit 9.3 Budget Requests by Balanced Scorecard Strategy

Corporate Strategy: Become Customer Focused			
Objective	Current Scorecard Status	Budget Request Operating \$000s	Budget Request Capital \$000s
Increase customer loyalty	Green	\$XXM	\$XXM
Increase customer confidence	Yellow	\$XXM	\$XXM
Increase flexible solutions	Red	\$XXM	\$XXM
Percentage of total spending		44%	38%

Regarding Claims 2-3, 12 and 17 Riven teaches a system and method further comprising applying an approval filter to each activity (approve for funding, development, deployment, resources, etc.; Paragraph 1, Page 19; Bullet 1, Last 8 Lines, Page 193).

Regarding Claims 4, 14 and 19 Riven teaches a system and method further comprising calculating a (strategic value) assessment for each activity from the (strategic value) ratings (Bullet 1, Lines 15+, Page 193).

Regarding Claim 5 Riven teaches a system and method further comprising establishing funding for an activity with the highest (strategic value) assessment (Bullet 1, Lines 15+, Page 193).

Regarding Claims 6, 15 and 20 Riven teaches a system and method further comprising:

- comparing the (strategic value) assessment of a first and second activities (Bullet 1, Page 193; Exhibit 7.1);
- prioritizing the first activity with respect to the second activity in response to the comparison (Last Paragraph, Page 188; Bullet 1, Page 193; Paragraph 4, Page 197; Exhibit 7.1).

Regarding Claims 7, 13 and 18 Riven teaches a system and method further comprising applying a weight factor to each category pertaining to the initiative (Bullet 1, Lines 15-18, Page 193).

Regarding Claim 8 Riven teaches a system and method wherein the categories including strategic position, financial impact, intellectual assets or business drivers (Exhibit 7.1).

It is noted that the labels used to describe the various categories an IT initiatives merely represents non-functional descriptive material and are not functionally involved in the steps recited nor do they alter the recited structural elements. The recited method steps would be performed the same regardless of the specific labels used to describe the various IT initiatives categories. Further, the structural elements remain the same regardless of the specific labels used to describe the various IT initiatives categories. Thus, this descriptive material will not distinguish the claimed invention from the prior art in terms of patentability, *see In re Gulack*, 703 F.2d 1381, 1385, 217 USPQ 401, 404 (Fed. Cir. 1983); *In re Lowry*, 32 F.3d 1579, 32 USPQ2d 1031 (Fed. Cir. 1994); *MPEP* 2106.

Regarding Claim 10 Riven teaches a system and method wherein the activities are categorized according to whether an activity transforms the business, grows the business, provides technical advantage or involves a technology refresh (Exhibit 7.1).

It is noted that the labels used to describe the various categories an IT initiatives merely represents non-functional descriptive material and are not functionally involved in the steps recited nor do they alter the recited structural elements. The recited

method steps would be performed the same regardless of the specific labels used to describe the various IT initiatives categories. Further, the structural elements remain the same regardless of the specific labels used to describe the various IT initiatives categories. Thus, this descriptive material will not distinguish the claimed invention from the prior art in terms of patentability, see *In re Gulack*, 703 F.2d 1381, 1385, 217 USPQ 401, 404 (Fed. Cir. 1983); *In re Lowry*, 32 F.3d 1579, 32 USPQ2d 1031 (Fed. Cir. 1994); MPEP 2106.

Claim Rejections - 35 USC § 103

7. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

8. Claims 3 and 9 are rejected under 35 U.S.C. 103(a) as being unpatentable over Riven, Paul R., Balanced Scorecard Step-by-Step (2002) as applied to claim 1 above, and further in view of Sharmar, WO 01/16836.

Regarding Claim 3 Riven does not expressly teach applying the (strategic value) rating in response to an affirmative approval filter as claimed.

Sharmar teaches applying the (strategic value) rating in response to an affirmative approval filter (acceptance criteria; Lines 1-8, Page 6; Lines 6-18, 27-29, Page 8; Lines 18-27, Page 10) in an analogous art of assessing initiatives/projects in an enterprise for the purpose of prioritizing and selecting the business initiatives/activities (Paragraph 1, Page 6; Figure 4).

It would have been obvious to one skilled in the art at the time of the invention that the system and method for assessing business activities as taught by Riven would have benefited from applying the strategic rating in response to an affirmative approval

filter in view of the teachings of Sharmar; the resultant system/method enabling users to agreed on acceptance criteria (approval filters) for approving business activities.

Regarding Claim 9 Riven does not expressly teach that technical and/or risk impacts are considered as claimed.

Sharmar teaches that technical and risk impacts and a plurality of other impacts are considered for application of the (strategic value) ratings (score, value; impacts – Lines 8-12, Page 6; Lines 16-32; Figure 3; technology - Lines 21-23, Page 14; risks Lines 5-10, Page 9; financial impact - Lines 15-20, Page 9) in an analogous art of prioritizing/rating business activities for the purpose of rating and/or prioritizing business activities/initiatives based on a plurality of common impacts.

It would have been obvious to one skilled in the art at the time of the invention that the system and method of assessing needs in a business as taught by Riven would have benefited from taking into account any of a plurality of well known impacts when assessing the strategic nature of business activities (strategic value rating) including but not limited to technical and risk impacts in view of the teachings of Sharmar; the resultant system/method enabling users to account, in the strategic value rating of the initiatives/activities, the various impacts the initiatives/activities will have on the business.

Conclusion

THIS ACTION IS MADE FINAL. Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to SCOTT L. JARRETT whose telephone number is (571)272-7033. The examiner can normally be reached on Monday-Friday, 8:00AM - 5:00PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Bradley Bayat can be reached on (571) 272-6704. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/Scott L Jarrett/
Primary Examiner, Art Unit 3624